

REMARKS

Claims 1-22 are pending in this application. Claims 1, 3, 5-6, 9-11, 14-15, 17, 20 and 22 are amended herein.

A proposed revision to Figure 3A is submitted herewith. More particularly, Figure 3A inadvertently labeled the two lines from first decision box 305 with an "N". However, consistent with the specification, the line going to decision box 310 should have been labeled "Y". The label on the line to box 310 has been accordingly revised to change "N" to "Y"

Claims 1-14 stand rejected under 35 USC §112, second paragraph. The Examiner correctly notes that proper antecedent basis is required for the first recital of "the service provider" in claim 1. The preamble has been amended to provide antecedent basis for the recital in line 3 of claim 1. Accordingly, it is respectfully requested that the rejection on this ground be reconsidered and withdrawn.

Claims 11 and 20 are also rejected under 35 USC §112, second paragraph.

The Examiner is concerned that the recital of the "payor" in line 7 of claim 11 and in line 5 of claim 20 may alternatively be construed to be "a payor" or "a second payor".

It is respectfully submitted that, although there is a second payment request in each of these claims, there is only one payor identified throughout the claims. Accordingly, it is respectfully requested that the rejection be reconsidered and withdrawn.

Claims 1-2, 4, 8-10, 13, 15-16, 19 and 21 stand rejected under 35 USC §102(a) as anticipated by Applicant's admitted prior art. The rejection is respectfully traversed. Claims 3, 5-7, 12, and 17-18 stand rejected under 35 USC §103(a) as obvious over Applicants' admitted prior art in view of Kramer, et al. (U.S. Patent No. 6,327,574). The

rejections are respectfully traversed.

It is first respectfully submitted that there has been no admission that the Background section contains "prior art".

The present invention provides a technique which facilitates payments to a payee on behalf of a requesting payor by a payment service provider based upon funding from the payors credit card account. For example, in accordance with claim 1, the payment service provider receives a request from the payor to direct a payment to a payee, and transmits payment information associated with the request to the payors credit card issuer via a network other than the credit card network. The payment information might be transmitted via the Internet or some other public network etc. It is respectfully submitted that nowhere in the background statement is there any disclosure or suggestion of a payment service provider providing payment information to a credit card issuer outside of a credit card network. Indeed, never before, to the knowledge of the Applicants, has this been done in connection with providing a requested payment to a payee by a payment service provider on behalf of a payor.

Additionally, according to claim 1, the service provider receives funds from the credit card issuer responsive to the transmitted payment information from outside the credit card network. Here again, this feature is neither disclosed in the background statement nor proposed in the prior art.

Furthermore, claim 1 requires that the service provider direct the delivery of the funds and the associated remittance advice to the payee to complete the payment on behalf of the payor.

Thus, what claim 1 requires is a transfer of funds between the payor's credit card issuer and a payment service provider outside of the credit card network, and a

directing of the payment and associated remittance advice to the payee by the payment service provider on behalf of the payor.

It is respectfully submitted that such a payment protocol is neither disclosed in the background statement or in the prior art, and represents an entirely new approach to making payments through a payment service provider.

It is respectfully submitted that other features recited in the claim 1 dependencies further distinguish over that which is described in the background statement.

For example, claim 3 requires that, notwithstanding the fact that the service provider directs the delivery of the funds and associated remittance advice and the credit card issuer transfers funds to the payment service provider, the funds transfer is identified as a payment to the payee (rather than the service provider) on the payor's credit card statement. It is respectfully submitted that such reporting was previously unknown.

According to claim 5, the payment service provider also determines whether or not a payee will accept the payors credit card as a form of payment, and if so, directs the payment via the credit card network. Thus, in accordance with claim 5, the system has the flexibility to proceed with requested payments relying on the payors credit card account, but only by utilizing the credit card network where appropriate.

In claim 6, although the payment is made via the normal credit card network, the service provider still directs the delivery of the remittance advice associated with the payment to the payee.

According to claim 10, the service provider may also determine that the received payment request includes information identifying the payment credit card, and transmit the payment information to the credit card issuer, outside the credit card network, based

on this determination.

According to claim 11, alternatively, if the service provider determines that the payment request includes information identifying a deposit account of the payor, the service provider can direct a debiting of the payors funds in that deposit account, and the delivery of funds and associated remittance advice to complete the payment on behalf of the payor. Thus, in the invention of claim 11, the service provider is provided with the further flexibility to rely on either the payor's credit card account or deposit account in directing the delivery of funds and associated remittance advice to the payee to complete a payment on behalf of a payor.

Claim 14 establishes an authorization procedure outside of the conventional credit card network that is also believed to further distinguish over the applied prior art.

Claims 15-22 are distinguishable on grounds which should be clear from the above.

It is believed the foregoing will be helpful in understanding the distinguishing aspects of the present invention. However, should the rejections set forth in the Official Action to which this response is directed be maintained, it is respectfully requested that disclosure in the applied art be identified with specificity on an element by element basis so that the rationale for the rejection can be clearly understood.

In view of the above, it should also be understood that the claim amendments (other than that adding "a service provider" to the claim 1 preamble) have been made for purposes other than patentability.

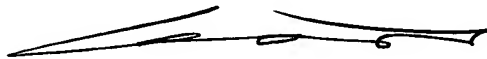
In view of the foregoing, it is respectfully submitted that the application is in condition for allowance and an early indication of the same is courteously solicited. The Examiner is respectfully requested to contact the undersigned by telephone at the

below listed local telephone number, in order to expedite resolution of any remaining issues and further to expedite passage of the application to issue, if any further comments, questions or suggestions arise in connection with the application.

To the extent necessary, Applicants petition for an extension of time under 37 CFR § 1.136. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to the Deposit Account No. 01-2135 (Case No. 1158.42672X00) and please credit any excess fees to such Deposit Account.

Respectfully submitted,

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AAS/slk

Amendments to the Drawings:

The attached sheet of drawings includes changes to Fig. 3A. This sheet, which includes Fig. 3A, replaces the original sheet.

Attachments: Replacement Sheet
Annotated Sheet Showing Changes

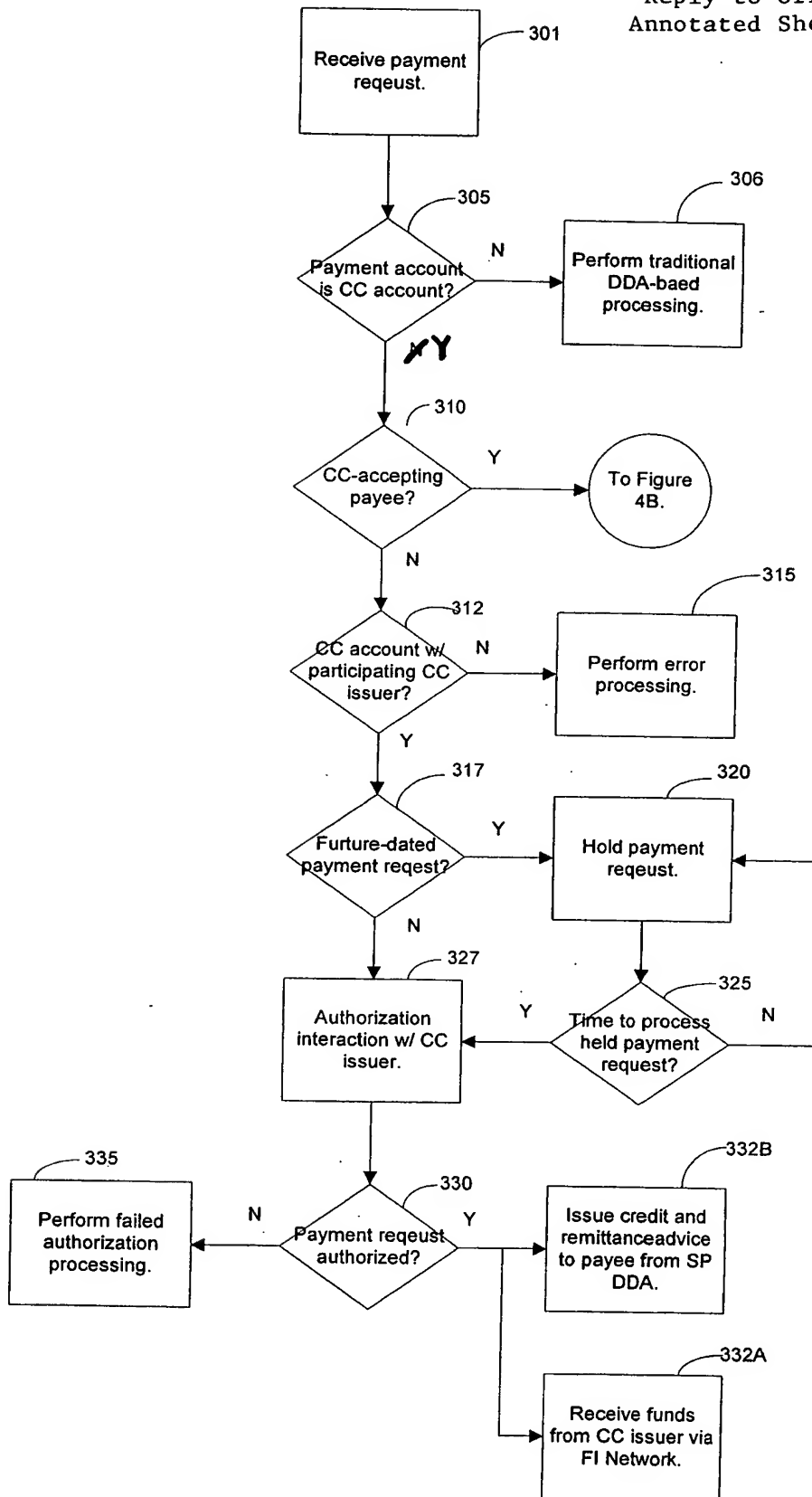


FIGURE 3A

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